

Policies on Requirement, Search Letters & Consultants

In recent months the New Jersey District Office's 8(a) Business Development staff has been swamped with requests to send search and requirement letters to federal procurement agencies on behalf of our 8(a) firms. SBA recognizes that this is a part of the business development assistance SBA tries to provide 8(a) firms, but with well over 200 8(a) firms in the New Jersey District Office portfolio along with a shrinking staff, we must advise you of the information that your Business Development Specialist(BDS) needs to effectively assist you.

There are (2) different types of marketing letters that SBA can send to government agencies on your behalf:

Search Letters: This is a generic letter, not specifically mentioning any particular potential contract opportunity that introduces the 8(a) firm to the agency and asks them to search for potential work for a particular 8(a) firm. These letters, which are usually accompanied by a firm's capability statement and/or brochure, are not particularly useful since most buying activities don't have the staff needed to accomplish these searches anymore. They are usually "filed" and go unanswered. A better tool is for you to **personally visit** buying activities to present your credentials. In this regard, marketing for 8(a) work is very similar to the private sector marketing that you do.

Requirement Letters: This is a more specific letter written on behalf of a particular firm, asking for a specific requirement to be set-aside for that firm on a sole-source basis. A requirement letter identifies a specific requirement and requests the procuring activity to offer it to the 8(a) program on your behalf. You must clearly identify the requirement sought by project name and/or number, if available.

Before sending a requirement letter on behalf of a particular participant, that participant must advise their BDS, where and how the firm learned of the requirement, the firm's suitability for the requirement, and **its own efforts to market the requirement**. Since 8(a) firms are required to do self-marketing, you must make some effort on your own to obtain the potential requirement **before** asking your BDS for assistance. We also require that you provide us information on the firm's suitability for the requirement (e.g., previous contracts for the same or similar supply or service). If the requirement is for construction, make sure your firm has the required bonding capacity. Again, make sure to provide your BDS with copies of your firm's marketing brochures, typed capability statement, etc. Make sure your CCR/Dynamic Small Business Search profile is current and updated no less than annually. Any profile that has not been updated with eighteen (18) months will not appear in any search done by an agency.

If identified from FedBizOpps, you must send us a **copy of the FedBizOpps** announcement with your request for the search letter along with the above information.

If the announcement is for a sources sought, you must comply with any request for information contained in the announcement, in a timely and complete manner, before we send the letter. Remember that you need to be out marketing all the time! If it's in FedBizOpps as anything other than a sources sought, it's usually too late to go 8(a) as the agency's procurement plan is already set. You should identify potential requirements **before they hit FEDBIZOPPS** for requirement letters to be effective. You also need to realize that if you've seen it in FedBizOpps, so have hundreds of other firms!

Please remember that the sending of a search letter on your behalf does not guarantee that the project will be set-aside for you!

Remember that not all requirements can be contracted as Sole Source requirements matched with a particular 8(a) firm. Requirements that exceed the 8(a) competitive thresholds must be competed among eligible 8(a) firms. Requirements that exceed \$3 million for construction and services and \$5 million for supplies must be competed.

Also keep in mind that SBA cannot accept a procurement for award under the 8(a) program if the following circumstances exist: a) the requirement has been set-aside for small business or small disadvantaged business competition; b) adverse impact on another small business will result from acceptance of the requirement.

Since SBA's regulations require that 8(a) firms must be current with the submission of annual financial statements to receive 8(a) contract awards, we **will not** send search/requirement letters or accept any requirements for firms who are delinquent in submitting their annual statements. Also remember that failure to submit annual financial statements is also grounds for termination from the 8(a) program.

A number of firms have engaged the efforts of marketing consultants to assist you marketing 8(a) and other government contracts. While this choice is yours, please remember that you are required to give complete disclosure on consultants each year when requested by SBA in the Annual Report on Representatives. Also, your BDS cannot discuss anything about your firm with your consultant unless you give us your written authorization to do so. Please note that any request for assistance such as search or requirement letters must come from you, not your marketing consultant. There are restrictions on the compensation arrangements with consultants used to market federal government contracts. Make sure that your written agreement conforms to these restrictions. Your BDS can answer your questions in this regard. Marketing consultants are expensive. Make sure that you fully understand what services are to be provided and they're spelled out in your written agreement and you're getting your money's worth. You will be required to provide SBA a copy of this agreement as part of your annual reporting.

Another marketing tool that you may wish to investigate in the "bid matching" services offered by the two New Jersey Procurement & Technical Assistance Centers (PTAC). This **free** service frees up your valuable time and money by having the PTAC's search procurement opportunity databases such as FedBizOpps for you. They look for matches

between your firm and potential opportunities, and then advise you via email when they're identified. For more information on the PTAC bid matching services, firms located in Union County should contact the PTAC located in the Union County Economic Development Corporation at 908-527-1166. Firms located elsewhere in New Jersey should contact the PTAC located at the New Jersey Institute of Technology (NJIT) at 973-596-5807 for information on their services.

Please contact your BDS if you have any questions regarding the above.